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Summary of Presentations Grande Prairie Public Forum

March 13, 1992

Alberta
GOVERNMENT OF ALBERTA

TOWARD
TOGETHER

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92-07888/

TOWARD 2000 TOGETHER

GRANDE PRAIRIE REGIONAL PUBLIC FORUM
SUMMARY OF PRESENTATIONS

Trumpeter Motor Inn, Grande Prairie
1:30 - 5:00 p.m.
March 13, 1992

GOVERNMENT PANEL

Hon. Doug Main (Chair) - Minister of Culture & Multiculturalism

Dr. Bob Elliott - MLA, Grande Prairie

Ms. Pearl Calahasen - MLA, Lesser Slave Lake

Mr. Glen Clegg - MLA, Dunvegan

Mr. Walter Paszkowski - MLA, Smoky River

PRESENTATIONS

1. City of Grande Prairie - Mr. George Keen, Director, Planning & Protective Services; Ms. T. Saunders, City Alderman

2. Improvement District #20 - Mr. Willy Janssen, Chairman

3. Grande Prairie and District Chamber of Commerce - Mr. Dean Ozanne

4. Valleyview Regional Economic Development Board - Ms. Edie Spagrud, Executive Director

5. People for Economic, Environmental and Regional Support (PEERS) - Mr. Barry Diederich and Mr. Fred Tissington, Grande Prairie

6. Town of Valleyview - Mr. Dick Gillespie, Mayor

7. Saskatoon Mountain Economic Development Authority (SMEDA) - Ms. Delayne Pfau and Mr. Jim Letersky, Enterprise Centre, Beaverlodge; Mr. Doug Bailey, Business Development Centre, Hythe

8. Alberta Forage Processors Association - Mr. Marcel Maisonneuve

9. M.D. of Spirit River - Mr. Robert Peacock

10. District of Birchills #19 - Mr. Edmond Pawluski, Chairman

NORTHWEST ALBERTA RESIDENTS OFFER PERSPECTIVE ON THE FUTURE

The Grande Prairie Public Forum, fifth in a series of public participation meetings held as part of the Alberta government's Toward 2000 Together initiative, demonstrated that northwest Alberta residents are determined to enhance and diversify the region's resource-based economy.

A recurring theme in more than a dozen forum presentations was the need for programs and policies that will sustain existing resource-based industries, support entrepreneurship and innovative business opportunities, and place greater emphasis on regional opportunities for post-secondary education, skills training and research and development. According to several participants, the key to achieving many of the region's goals -- including increased tourism and secondary manufacturing -- lies in an improved transportation system.

Approximately 50 people attended the March 13, 1992 forum at the Trumpeter Motor Inn, Grande Prairie. Accepting submissions from business and industry representatives, municipal jurisdictions, and private citizens throughout the Peace River-Grande Prairie region, was a five member government panel chaired by Minister of Culture and Multiculturalism Doug Main. Panelists included four northwestern Alberta MLAs: Pearl Calahasen, Lesser Slave Lake; Glen Clegg, Dunvegan; Dr. Bob Elliott, Grande Prairie; and Walter Paszkowski, Smoky River. In opening remarks, the chairman noted that in recent months the government had received 17,000 requests for information on Toward 2000 Together. He explained that the process of developing a new economic strategy designed to carry Alberta into the 21st century would culminate in late May with the Premier's Conference on Alberta's Economic Future to be chaired by Premier Don Getty. The Minister noted that every idea, every suggestion and every bit of input gathered from Albertans was considered a valuable part of the process.

Following are the names of forum participants and summaries of their presentations and panel responses.

SUBMISSIONS

1. City of Grande Prairie: Mr. George Keen, Director, Planning & Protective Services; Ms. T. Saunders, City Alderman

City spokesmen agreed with the Toward 2000 Together statement that businesses now base their location decisions on a complex set of factors that include workforce skills and availability, proximity to academic institutions, and quality of life. In light of this, the provincial government was urged to give Grande Prairie Regional College degree granting status so that the workforce would be encouraged to stay in the north. An enhanced research and development network should also be established in the Peace region.

The city submission suggested that a tax credit be considered for companies locating north of Edmonton, adding that such a credit for the Procter & Gamble tissue plant could offset the costs of transporting the finished goods to market.

In advocating the upgrading of Highway 40, city spokesmen noted that the region's new sodium chlorate plant would like to transport its product by truck to Hinton but, because of poor road conditions three months of the year, it was forced to use rail. Highway 40 also holds the key to tourism in the northwest, the panel was told. Highly efficient east-west corridors lead tourists directly to British Columbia while a north-south transportation corridor has yet to be developed. Government was urged not to concentrate solely on the southern part of the province in developing tourism infrastructure.

The submission called for a cellular communication system in the north, noting that "new technologies always reach the north last".

The city brief noted that while much of the Alberta Heritage Savings Trust Fund was generated by development of the north's non-renewable resources, monies from the fund were often used to diversify the economies of central and southern Alberta. The city believes the Alberta government must take steps to diversify the north if it is not to "wither on the vine".

Dr. Elliott responded that it was important to differentiate between the terms "degree granting" and "degree completion", adding that the college was being encouraged to move toward the latter status one step at a time.

Mr. Main added that one of the difficulties in dealing with degree completion for colleges is the cost involved. Universities are able to attract graduate students, who can be used as lecturers and this option would not be available to colleges. Providing degrees in a college rather than a university setting is more expensive. However, he believed there was a good case for degree completion at Grande Prairie because of the city's location.

Ms. Calahasen asked what the city envisioned in terms of research and development in the north. The response was that research and development that would benefit northern agriculture and forestry should take place close to those resources.

Mr. Main agreed that the north deserved better tourism infrastructure and that attractions should be developed there before major expenditures were made in the south. He confirmed he was sensitive to the need to get more people to visit the north and to provide more attractions for local residents.

Mr. Paszkowski said that while the idea of a transportation tax credit was interesting, caution would be required to ensure such credits could not be construed as subsidies under the General Agreement on Tariffs and Trade. He suggested another option might be to concentrate on better methods of transportation and shorter transportation routes.

The city's view was that the tax credits would help establish a level playing field, Mr. Keen said. When an area is located too far from the marketplace, the economics must be changed in some way so that distance does not matter. If that could be done, a tissue plant would be established in Grande Prairie, he said.

2. Improvement District #20: Mr. Willy Janssen, Chairman

Mr. Janssen addressed several aspects of interprovincial commerce, noting that this is a major issue in the I.D. because of its proximity to the City of Dawson Creek, B.C. He added similar concerns are shared by I.D. #21, which lies near Fort St. John, British Columbia.

One third of the business in Dawson Creek is generated by farmers on the Alberta side of the border, he said. Shared resources include a $1-million seed cleaning plant, built with assistance from the Government of Alberta and I.D. #20, and many social and recreation facilities. I.D. residents are concerned about the lack of an integrated transportation system for the area and the fact that trucking industry regulations covering gross weight limits differ in Alberta and British Columbia. The submission advocated a common weigh scale and inspection station for the area, manned by personnel from both provinces (similar to the arrangement established near Golden, B.C.). In calling for harmonization of interprovincial transportation policies and regulations, Mr. Janssen said the parochial instincts of the two jurisdictions must be changed in order to further the common good.

He also called for a strong integrated economic policy for the entire Peace River region, an area with a population of 165,000 people. One element of the policy should involve planning for greater use of ethanol in gasoline, a move that would provide a boost to the region's agricultural sector.

The submission also advocated a single regional policy on hazardous toxic waste disposal to protect both Alberta and B.C. rivers, and an interprovincial agreement covering emergency response during a major disaster. The I.D. expressed its willingness to do whatever is necessary to remove barriers to interprovincial commerce and cooperation.

Ms. Calahasen responded that interprovincial barriers are currently part of the constitutional debate and that there will be increasing focus in the future on interprovincial issues in many areas. She added the I.D. was right to raise such questions for review. Mr. Paszkowski said that inter-boundary transportation issues are being worked on but unfortunately progress is extremely slow. On the question of axle weights, he said, finding solutions is a long process because highways are built to different standards. He urged the I.D. to take its concerns about pollution in the upper levels of the Peace River to the Task Force studying the northern rivers network, adding that it was unfortunate that British Columbia had not chosen to participate in the study.

3. Grande Prairie and District Chamber of Commerce: Mr. Dean Ozanne

The Chamber believes that the future of Grande Prairie and the surrounding area relies on the development of secondary industries, including tourism and activities that expand on the area's existing strengths of forestry and agriculture. A transportation corridor is needed, linking the Columbia Icefields, Grande Cache, Grande Prairie and the far north. This would require paving of Highway 40.

Local access to technology and government programs is also needed, according to Mr. Ozanne. He added the Chamber supports the Peace Country Innovation Centre concept. This would offer one-stop access to government programs, public and private sector data bases and guidance with entrepreneurial development. If the appropriate infrastructure for development is put in place, the private sector will take care of the rest itself, he said.

The Chamber registered concern with government spending and tax increases and their effect on inflation and interest rates and called for all levels of government to curb their appetite for tax dollars. Also advocated was more provincial government effort to decrease interprovincial trade barriers, recognition by government that diversification must be built on Alberta's existing strengths, and less government involvement in the marketplace. The submission noted that it is "everyone's role" to identify potential opportunities and products to help diversify the Alberta economy.

The submission expressed the Chamber's concern that so many Grade 12 graduates can't get jobs and are unable to pass entry level tests in mathematics and language, suggesting that young Albertans are not being equipped with the skills necessary for today's workplace. The main priority should be development of the workforce. Asked by Ms. Calahasen what can be done to increase tourism in the area, Mr. Ozanne replied that the need is to have attractions that will encourage tourism through-traffic to stop in the region. Accommodation in northern Alberta is barely adequate to house tourists or to create a reason for them to stop, he said. The area has very few campgrounds with power able to accommodate a 40-foot motor home. There are few cultural points of interest and Grande Prairie lacks adequate facilities to reach highway travellers with tourist information about the area.

Mr. Clegg observed that this was the second submission promoting Highway 40 and suggested that, since area farmers have been waiting 60 years for good roads to get their products to market, it might be better to promote a better road system for the entire area. In response to the recommendation that government remove itself from the marketplace, Mr. Clegg said that without the Gainers and Fletchers hog plants, 40,000 pigs a week would have to be sent to the U.S. for slaughter with the loss of 2,700 jobs.

Mr. Ozanne said the Chamber's position is that if the meat processing industry cannot be made economically viable in Alberta, other ways of assisting producers such as tax credits should be considered. He added the Chamber believes government should stick to "what government is good at" -- building infrastructure that ensures properly trained workers and a business climate that leads to a competitive economy.

Mr. Paszkowski reported that government support programs for industry have had a 97 percent success rate and suggested that government involvement in certain industries was the only way to keep trained people at home, rather than seeing them leave the province. People trained at NAIT to work in the meat industry have jobs partly because of government's involvement in the industry, he said. Mr. Ozanne responded that, although Gainers and Fletchers are not the only meat processors in the province, there is little good in training people for industries that don't exist. One solution would be to make the education system more responsive to the needs of industry.

Dr. Elliott agreed that development of Highway 40 was an area priority. In terms of loans to Alberta businesses, he said that the Alberta Opportunity Company processed 415 successful loan applications in the 1990 calendar year. In the Grande Prairie area, 25 loans were processed for a total of $1.6 million. "Obviously there are some success stories." Mr. Ozanne said the Chamber had no problem with risk lenders such as AOC, but it did object to bureaucratic decisions as to what constitutes a good investment of taxpayers' money.

Mr. Main agreed that paving of Highway 40 was desirable but noted the problem is to find the money. In trying to balance revenues and demands for services, government must either decrease services or borrow money, he said, adding that government is beginning to wonder if Alberta can continue to afford its present lifestyle. The question to consider, he said, is what can Alberta do with less of?

4. Valleyview Regional Economic Development Board:
Ms. Edie Spagrud, Executive Director

Changing community and business needs call for a change in the approach to business counselling, Ms. Spagrud noted. She told the panel there was a need for more up-to-date technical support, particularly in the realm of marketing, and for more current, relevant information through the "Kinds of Business" files of Alberta Economic Development and Trade. The latter is a useful service, she said, but the files need some refining and updating to make the information more pertinent to Alberta and Canada.

The submission also pointed to the growing importance of home-based businesses as contributors to the local economy. Alberta lags behind other provinces in developing a system of support for home-based business development, Ms. Spagrud said, adding that many people now view quality of life as more important than climbing the corporate ladder. In the face of poor prices and low world demand for agricultural products, farm families should be encouraged to use their skills and technology on the farm to provide new products or services from their kitchens, gardens and workshops -- as an alternative to seeking off-farm jobs. Alberta Economic Development and Trade has an important role to play in this regard, she said, adding there is an urgent need to develop a program for encouraging and assisting home-based business in Alberta.

The submission also advocated formation of a task force involving farmers, all levels of government and economic development officers to deal with future problems stemming from the loss of a sound agricultural industry. It urged government to provide leadership in encouraging farmers to get more involved in the non-traditional aspects of agriculture. Rather than creating new agricultural subsidies, government should concentrate on helping Alberta farmers make changes to meet new and emerging market demands. The panel was told that British Columbia has developed a full-fledged support program for home-based business, offering technical and information resources, plus help with idea generation and business management skills.

Dr. Elliott agreed that business training will be important in ensuring the success of home-based businesses. Mr. Main said it would be useful if the Economic Development Board were to make some suggestions for incentives other than subsidies to assist the agriculture sector. He added that the idea of encouraging home business had "tremendous merit" and that it reflected a North American move back to cottage industries.

5. People for Economic, Environmental and Regional Support (PEERS): Mr. Barry Diederich and Mr. Fred Tissington, Grande Prairie

Mr. Tissington explained that PEERS is a new regional organization, established to help encourage industry/government liaison in promoting value-added industry in the region and to push for paving of Highway 40 between Grande Prairie and Grande Cache, with an eventual link to Tete Jaune Cache, British Columbia. PEERS is also concerned with regional environmental issues, including media handling of environment-related stories.

Referring to the temporary shutdown of Procter and Gamble for reported violations of environmental regulations, Mr. Diederich said publicity surrounding the event has caused long-term problems for the regional economy. The financial industry and potential investors were concerned about the stability of businesses which must operate under short-term licences and respond to unclear, moving standards related to environmental protection, he said. The industry and the community need clear parameters, including long-term licences and set standards.

PEERS also encouraged the federal government to follow Alberta's "excellent lead" in establishing strict but fixed standards related to the environment. This would create a "level playing field" which is not in place today, the group said. Further, in planning for economic diversification, the province was urged not to forget to work with companies and industries already in place.

Mr. Paszkowski expressed concern that lenders had apparently been negatively affected by the four-day Procter & Gamble shutdown, noting that it was not an unusual situation within Canadian industry. PEERS was concerned by the negative way in which the message about the shutdown was carried across Canada, said Mr. Tissington, adding that the media in general are not well informed about toxic chemicals and what levels are acceptable. The group urged the Alberta government to help disseminate more information on the subject, in a form that more people can understand.

Mr. Paszkowski said he was unaware of another group like PEERS in the northwest region and predicted its work would be very helpful to government and industry in the long-term. Dr. Elliott agreed that government could learn to do its job better by listening to community groups such as PEERS.

Mr. Clegg suggested that having environmental standards doesn't mean that Alberta can't have industry. He agreed that for industry to invest millions of dollars in an area, it must have some assurance it will be operating without too many regulations. At the same time, he understood that to date industry has been able to adjust to meet changing environmental standards. In response, PEERS proposed that standards be in effect for a set period, such as five years.

Mr. Main said that Cabinet is very sympathetic to the idea that, to encourage economic development, government should get out of the way. On the other hand, government is also charged with protecting the environment on behalf of all Albertans.

6. Town of Valleyview: Mayor Dick Gillespie

Mayor Gillespie's remarks focused on three areas: small town Alberta, agriculture in Alberta, and leadership from various levels of government.

Small towns must be considered in economic planning, the Mayor observed, adding that people live there by choice. While government has done an excellent job in most respects for small town Alberta, requests from larger centres could make it more difficult for the provincial government to look after smaller communities as it should. The prime need is for infrastructure related to education, health and medical care, and municipal services, he said.

Business in small town Alberta doesn't know what a level playing field is, according to the Town's submission. While small communities take for granted that some things are unattainable, small communities also have needs. "We don't always want government assistance in the form of grants and subsidies. They don't do the trick. It's like giving yourself a blood transfusion".

With industries in small towns heavily dependent on oil, forestry and agriculture, downturns such as the current slowdown in the oil industry must be looked at in the longer term in order to ensure economic stability for these communities. Mayor Gillespie stated that Alberta's forests must also be thought of as an on-going economic benefit to northern Alberta -- small towns as well as larger centres.

The submission noted that a good percentage of the population in small town Alberta relies on agriculture for a living. Yet there is some doubt on the Town of Valleyview's part that agriculture is getting the same attention as some other industries. Although he admitted answers aren't readily available, the Mayor called for greater emphasis on achieving long-term stabilization for the agriculture industry. Programs tend to be crisis-driven and useful only for the short-term while the need is for lasting solutions.

Providing leadership at the provincial and municipal levels is a difficult job, the Mayor said, adding that it's important not only to try to do what is right but also to be seen to have done what is right. Jurisdictions must find a saw-off in between waste and underspending, he said. The Mayor's submission noted that Alberta's long-range planning began in affluent times and now some of those decisions have come back to haunt the province. Now there is a danger of over-correction which could stifle long-term development.

Ms. Calahasen enquired if Mayor Gillespie was talking about regional disparities and agreed that diversification is needed to enhance the economy of small towns and create jobs.

Mr. Main reiterated that the Alberta government has long been committed to balanced economic growth and that remains the ultimate objective for the province.

7. Saskatoon Mountain Economic Development Authority (SMEDA):
Ms. Delayne Pfau and Mr. Jim Letersky, Enterprise Centre, Beaverlodge; Mr. Doug Bailey, Business Development Centre, Hythe

The Enterprise Centre is one of three organizations under the SMEDA group. Ms. Pfau explained that the centre is designed to further entrepreneurial spirit and interest, stimulate economic growth and initiate training and career opportunities within the County of Grande Prairie No. 1 School Division. Individuals with ideas receive assistance in assessing the viability of their proposed business ventures and help in identifying markets, supply sources and opportunities for diversification.

The centre also provides training opportunities for career changes and educational enhancement, delivering specific courses to meet the training needs of business. Ms. Pfau told the panel that Alberta's best resource is its people and while government does not owe them handouts, it does owe them an opportunity to be self-sustaining.

The centre coordinates entrepreneurship curriculum in the school systems, assisting high school teachers in such areas as computer business applications, library resource use, and analytical processes for small business. While the federal government has assisted the centre with infrastructure, Ms. Pfau suggested it may be time for the provincial government to make a commitment to its rural citizens by providing operating assistance.

Mr. Bailey, General Manager of the SMEDA Business Development Centre (BDC) in Hythe, said the office services the entire County of Grande Prairie, excluding the City of Grande Prairie. Funded by the federal government under the Canadian Jobs Strategy - Community Futures Program, the corporation promotes the creation, growth and development of small business enterprises in the region. Counselling and advisory services and limited financial support are available to eligible clients. The emphasis is on owner-directed and owner-controlled businesses that serve regional needs and contribute to diversification and job creation. Clients are local residents with a need for small amounts of business capital. Decisions are made locally through a volunteer board of directors.

The BDC lends funds to clients unable to obtain funding through traditional sources and has an investment budget of $1.5 million. Loans are limited to a maximum of $75,000 per borrower and are fully repayable under conditions and terms similar to those of bank loans. In its three and a half years of operation, BDC has reviewed approximately 500 clients and/or proposals, creating and maintaining over 200 jobs. Loan experience has been generally satisfactory with a 5 percent write-off experienced.

Among clients are producing farmers that have invested in part-time businesses, using their diverse skills in enterprises that have helped them remain active producers on the land. According to Mr. Bailey, BDC does not believe that diversification requires large amounts of capital from the public purse.

Mr. Letersky explained there are 24 groups in the province participating in the Community Futures Program, developing community-driven regional strategies for diversification and business development. Unfortunately, he said, the province has never come to grips with this and has given no recognition to the plans of various municipalities. He questioned what was happening with the Local Development Initiative launched by the province 18 months earlier.

Mr. Main replied that it is an exceedingly complicated process that government is working to bring to fruition. It is a major initiative, he said, and government wants to ensure that it is done right.

Mr. Letersky said that most support for business in Alberta has gone to megaprojects or multinational organizations and it should now be the turn of small business to receive some support. Research and development initiatives, for example, mostly ignore non-metropolitan areas such as the Peace Country. He reported that SMEDA had spent two and a half years trying to get the Research Council involved, adding that despite the Council's 600 employees and $50 million budget, it had not stationed a single representative in the region.

The area is looking to the Local Development Initiative as a one-stop shopping centre, Mr. Letersky explained. Local manufacturers have said they need a market research specialist and a technical expert stationed in the area as opposed to 300 miles away. The Grande Prairie region has not developed its wood resources to the degree it should have, partly because it is unaware of the market niches available. A market development officer is needed to help local industry and the proposed Peace Country Innovation Centre would certainly provide one-stop access to information and programs to help the private sector compete and diversify.

SMEDA has taken area concerns to the Hon. Peter Elzinga, Minister of Economic Development and Trade, and he in turn has approached other government departments and the Alberta Research Council to see if resources can be made available for the Innovation Centre, the submission said. The group has also approached the federal government with a model forest proposal. Canfor has offered its Forest Management Area as a laboratory for research in areas of forestry and the environment. The proposal calls for a total budget of $7 million, including $3 million for contract research.

Mr. Bailey noted that there was strong interest in the area in establishing an ethanol industry. He said he felt the ethanol industry was being suppressed in the province and that didn't make sense. In the area of tourism, SMEDA is promoting the development of an interpretive centre at Saskatoon Mountain, which has produced evidence of human occupation dating back 9,500 years.

Mr. Clegg replied there was nothing in Alberta to stop the development of an ethanol plant.

Mr. Paszkowski said that, overall, SMEDA achievements have far surpassed original expectations. On the question of ethanol production, he observed that many side issues would have to be identified in conjunction with promotion of the industry.

Mr. Main concluded by commenting on the tremendous amount of activity and great potential outlined by SMEDA spokesmen.

8. Alberta Forage Processors Association: Mr. Marcel Maisonneuve

Mr. Maisonneuve explained that the association is made up of about 14 companies that purchase alfalfa from farmers under contract and process it into pellets and cubes for export. Alberta's alfalfa processors, who account for more than half of the pellet and virtually all the cube production in Canada, export about 10 million tonnes of the 15 million tonnes of alfalfa grown annually. Japan is the major export market. Processed alfalfa products have increased from 289,000 tonnes in 1982 to 727,000 tonnes in 1991. Today, the annual value-added is approximately $75 million and the industry provides close to 1,100 full-time and seasonal jobs.

In recent years, alfalfa processing at plants in Falher, Wanham and Grimshaw have sustained the economy of an area which has little livestock production or alternative industries, the submission noted. Because of protectionism practiced by competitors, policies and programs to support primary and secondary agriculture are required today and in future, Mr. Maisonneuve said. He identified the following issues:

1. Transportation: Changes to the Western Grain Transportation Act, now under discussion, would result in varying degrees of negative impact on the forage processing industry as well on other export crops in Alberta. The association is concerned about changes to the "Method of Payment" of the Crow benefit, now valued at $721 million for Western Canada.

2. Workers'Compensation Board: At $7.94/$100 of payroll, WCB rates charged to processors in Alberta are four times those charged in Saskatchewan. The industry is trying to achieve reclassification.

3. Power (electricity): as large agricultural consumers of electricity, the processing plants face high power costs and seek new rate structures (5 cents vs 8 cents per kilowatt hour). The organization called for the provincial share of income tax paid by Alberta Power Ltd. and Transalta Utilities Ltd. to be returned to the consumer, as is the federal share.

4. Farm Programs: Alfalfa for processing has been neglected in a number of important programs such as the Net Income Stabilization Account, the Gross Revenue Insurance Plan, the Farm Support and Adjustment Measures, and the Crow Offset Program.

Mr. Maisonneuve said the industry looks to the province to support export activity. If negative influences continue, he said, the smaller plants won't survive and larger ones will have to cut back. While the presentation noted that the Government of Alberta has played an important role in assisting agriculture through the purchase of hopper cars, financing the Prince Rupert Grain Terminal and providing the Farm Fuel Distribution Allowance, there is a continuing need for support to the agricultural sector of the region.

Mr. Clegg suggested that the association make a brief to be considered during current power rate discussions, adding that it appears rates could get higher in the future. He added that the alfalfa processing industry has helped diversify the economy of northern Alberta and predicted it would "do nothing but grow" in the future.

9. M.D. of Spirit River: Mr. Robert Peacock

Mr. Peacock expressed concern that the "Freedom of Choice" concept in relation to grain transportation, which he said is now being promoted by Agriculture Minister, Ernie Isley, would result in a $20 per acre payment to farmers rather than $80 per acre, as many farmers believed it would.

There was some concern in the M.D. that, although the provincial and federal government spend a great deal of money on Canada's railroads, they "can't seem to haul our grain," Mr. Peacock said.

Mr. Main said that "Freedom of Choice" was an issue before government at the moment but that no decision had been reached. Mr. Clegg agreed that any decision related to grain transportation would have an effect on northern Alberta and that government and industry would have to work together to lessen any negative impacts on producers.

10. District of Birchills #19: Mr. Edmond Pawluski, Chairman

The panel was told that the District of Birchills, located between the Peace and Smoky Rivers is a small area with an 80 percent agricultural assessment. With agriculture now in the doldrums, Mr. Pawluski said, the emphasis must be on helping the industry.

The current practice of subsidizing agriculture means consumers, not farmers, are being subsidized, he said. "We would like no subsidies but would like a small profit and return on investment. Of course, food would be more expensive if that happened." He said that emphasis on agriculture should be a priority since it is still the number one industry in Alberta.

Development of Highway 40 is needed for tourism, he said, but government should first look at improving roads to Grande Prairie. A pilot project might be considered to make the Grande Prairie-Grande Cache route a toll highway. Other issues suggested for review in the Toward 2000 process were the Crow benefit and the ethanol industry.

In thanking Mr. Pawluski and other participants, the Minister said that in developing a new economic strategy for the next century, partnerships between business, individuals and government would be required. Public participation is crucial, he said, adding that experts don't have all the good ideas.